

DEPARTMENT OF WORKFORCE DEVELOPMENT  
DIVISION OF WORKFORCE SOLUTIONS  
ADMINISTRATOR'S MEMO SERIES

NOTICE 01-10

DATE: 05/25/2001

DISPOSAL DATE: 5/31/2003

RE: 2002 BASE INCOME  
MAINTENANCE  
ADMINISTRATIVE  
ALLOCATION -  
PRELIMINARY NOTICE

To: County Department of Human Services Directors  
County Department of Social Services Directors  
County Economic Support Managers/Supervisors  
Tribal Chairpersons/Human Services Facilitators  
Tribal Economic Support Directors

From:	Eric Baker /s/ Administrator Division of Workforce Solutions	Peggy L. Bartels /s/ Administrator Division of Health Care Finance
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## PURPOSE

This memo provides notice of preliminary funding information of the base Income Maintenance Administrative Allocation (IMAA) for Income Maintenance (IM) Programs for the period January 1, 2002, through December 31, 2002 (Calendar Year (CY) 2002), for counties and October 1, 2001, through September 30, 2002 (Program Year (PY) 2002), for the tribes. This preliminary notice, which contains the IMAA only, is being shared at this time to facilitate budget planning. These preliminary allocations may change based on enactment of additional state or federal legislation. Additional funding amounts for Child Care Administration and Operations, Child Care - Safe Child Initiative, Medicaid Transportation, W-2 Funeral/Cemetery, Non W-2 Funeral/Cemetery, Public Assistance Fraud Program - Program Integrity, and Public Assistance Fraud - Investigation will be issued in one or more separate Administrator's Memos.

## GENERAL IMAA FUNDING

The IMAA includes funding for the administration of the Food Stamp Program (FS) and Medicaid (MA) and related Medicaid programs.

The state General Program Revenue (GPR) funding portion is contract controlled. However, contract overspending, using local funding as match, will be available for federal matching funds for FS and MA related expenditures. Pre-payments will be issued.

Two types of incentives may supplement the IMAA for some or all counties and tribes throughout the contract period. These include Estate Recovery Program Incentives and Health Insurance Information Reporting Incentives. These funds must be spent to be earned.

Underspending of the IMAA will result in the return of these incentive funds to the Division of Health Care Financing, Department of Health and Family Services (DHFS).

### **CHANGES IN THE ADMINISTRATION OF FOOD STAMPS AND MEDICAL ASSISTANCE PROGRAMS**

Beginning January 1, 2002, the FS and MA programs will be administered by the county or tribal Income Maintenance agency for all eligible persons, including those who may also be receiving services from a Wisconsin Works (W-2) agency. Funding for IM agencies is being increased to provide funds for the eligibility determinations of the W-2 related FS and MA group. The increase of the base IMAA is based on the amount of funds (\$21,216,984) removed from the CY1997 IM base allocation when W-2 was first implemented. This amount was added to the CY/PY 2001 IM base funding of \$36,145,547, which includes the Medicaid Purchase Plan (MAPP) and BadgerCare funds, resulting in a total statewide IMAA of \$57,362,531. Funding for W-2 agencies has been adjusted to remove funds for the eligibility determinations for FS and MA.

### **CHANGES IN THE IMAA ALLOCATION FORMULA METHODOLOGY**

The methodology for distributing the IMAA has been revised. A joint workgroup including several local agency representatives, DWD representatives and DHFS representatives have developed the recommended formula. Under the new formula allocations will be based on the unduplicated FS and MA cases shown on the March 2001 CARES-RP600A-RPD report. All small agencies with an unduplicated FS and MA caseload between 1 to 200 will receive a base amount of \$97,600. This base represents funding for two full time employees and the associated Agency Management Support and Overhead (AMSO) expenses. All agencies with an unduplicated FS and MA caseload between 201 to 499 will receive a base amount of \$160,644. This base funding is for three full time employees and the associated AMSO expenses. All other agencies with an unduplicated FS and MA caseload of 500 or greater will receive the base of \$160,644 plus an allocation that is based on the agency's share of the statewide's unduplicated cases over 500 compared to the rest of the state.

Annual adjustments will be made to ensure the allocation is based on the agency's share of the statewide unduplicated Food Stamp and Medicaid caseload using data from March to set the allocation for the next calendar year.

The following chart provides the new IMAA formula.

<b>Agency Size – Based on Unduplicated Food Stamp and Medicaid cases CARES-RP600A-RPD report</b>	<b>Base Allocation</b>	<b>Additional funds</b>
1- 200 cases	\$97,600	0
201-499 cases	\$160,644	0
500 or more cases	\$160,644	Based on cases over 500

### **NEXT STEPS**

Over the next few months the language for the CY/PY 2002 Income Maintenance contracts will be developed, including language on performance standards. Payment accuracy for Food Stamps is an area addressed in the contract in previous years. An additional area that will be discussed is Customer Satisfaction, including how to assure that customer satisfaction standards are being met by Income Maintenance agencies. One of the fundamental points of our management philosophies is that we are here to serve our customers. We are sure you will agree that being able to articulate and meet our customer service standards is important in the administration of these important programs.

REGIONAL OFFICE CONTACT: Area Administrator (Department's Contract Manager)

Attachment